



May 25, 2010

VIA ELECTRONIC FILING

Bonnie D. Shealy

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Jocelyn Boyd, Interim Chief Clerk of the Commission
Public Service Commission of South Carolina
Post Office Drawer 11649
Columbia, SC 29211

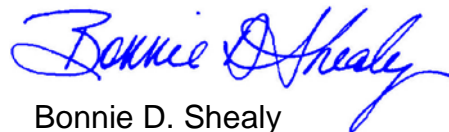
**Re: Duke Energy Carolinas, LLC Quarterly Financial Report
Docket No. 2006-268-E**

Dear Jocelyn:

Enclosed please find the Quarterly Report of Duke Energy Carolinas, LLC. By copy of this letter we are providing the same to the Office of Regulatory Staff. Should you have any questions, please contact me.

Very truly yours,

ROBINSON, MCFADDEN & MOORE, P.C.


Bonnie D. Shealy

/bds
Enclosure

cc/enc: Dan F. Arnett, ORS Chief of Staff (via email & U.S. Mail)
Jeffrey Nelson, ORS Staff Attorney (via email)
Mr. Phillip O. Stillman (via email)
Catherine E. Heigel, President Duke Energy South Carolina (via email)



526 S. Church St.
Charlotte, N.C. 28202
Phillip O. Stillman, General Manager
Duke Energy Carolinas
EC06E / P.O. Box 1006
Charlotte, N.C. 28201-1006
704 382-8070
704 382-7939 fax

May 24, 2010

Jocelyn Boyd
Interim Chief Clerk and Administrator
Public Service Commission of South Carolina
Post Office Drawer 11649
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29211

Dear Ms. Jocelyn Boyd:

Enclosed is the quarterly report of Duke Energy Carolinas, LLC
for the twelve months ending March 31, 2010. Please feel free to
call me at (704) 382-8070.

Sincerely,

A handwritten signature in black ink, appearing to read 'P.O. Stillman', with a large, sweeping flourish extending from the end of the signature.

Phillip O. Stillman
Regulatory Accounting and Planning

Enclosure

cc: Mr. Dukes Scott
Executive Director
Office of Regulatory Staff

CERTIFICATION

(Certification must be signed by the Chief Executive Officer and the Chief Financial Officer)

I, Catherine E. Heigel, state and attest, under penalty of perjury, that the attached South Carolina Quarterly Report is filed on behalf of Duke Energy Carolinas, LLC, as required by the Public Service Commission of South Carolina; that I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

Catherine E. Heigel
Signature of President

Catherine E. Heigel
Typed or Printed Name of Person Signing

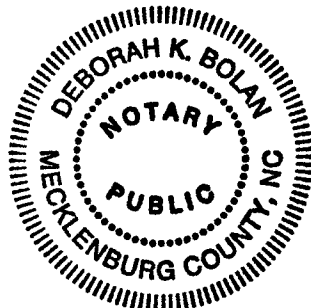
President, Duke Energy South Carolina
Title

May 24, 2010
Date Signed

Subscribed and sworn to before me this 24 day of May, 2010.

Deborah K. Bolan
Notary Public

My Commission Expires: 10-29-12



CERTIFICATION

(Certification must be signed by the Chief Executive Officer and the Chief Financial Officer)

I, James D. Wiles, state and attest, under penalty of perjury, that the attached South Carolina Quarterly Report is filed on behalf of Duke Energy Carolinas, LLC, as required by the Public Service Commission of South Carolina; that I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

James D. Wiles

Signature of Person Making Verification

James D. Wiles

Typed or Printed Name of Person Signing

VP, Franchised Electric and Gas Accounting
Title

5-24-10

Date Signed

Subscribed and sworn to before me this 24 day of May, 2010.

Sandra M. Summerlin

Notary Public

SANDRA M. SUMMERLIN
NOTARY PUBLIC
UNION COUNTY
STATE OF NORTH CAROLINA
MY COMMISSION
EXPIRES 5-22-2012

My Commission Expires: 5-22-2012

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjs (a) (Col. 3)	As Adjusted (Col. 4)
1	Electric Operating Revenue	\$ 5,671,017	23.9509%	\$1,358,262	\$ 60,700	\$ 1,418,963
2	Electric Operating Expenses:					
3	Operation and Maintenance:					
4	Fuel Used in Electric Generation	1,476,840	24.9620%	368,649	(1,248)	367,401
5	Purchased Power and Net Interchange	185,938	21.3184%	39,639	9,807	49,446
6	Wages, Benefits, Materials, etc.	1,659,684	23.6149%	391,933	(5,502)	386,431
7	Depreciation and Amortization	674,944	24.6847%	166,608	17,959	184,567
8	General Taxes	337,179	19.9049%	67,115	3,556	70,671
9	Interest on Customer Deposits	4,806	12.9422%	622	0	622
10	Income Taxes	396,407	24.5543%	97,335	13,121	110,456
11	Amortization of Investment Tax Credit	(7,468)	23.1655%	(1,730)	7	(1,723)
12	Total Electric Operating Expenses	4,728,330	23.9021%	1,130,171	37,699	1,167,870
13	Operating Income	\$ 942,687	24.1959%	\$228,091	\$ 23,001	\$ 251,092
14	Add: Customer Growth Adjustment				578	578
15	Income for Return			\$ 228,091	\$ 23,579	\$ 251,670
16	Original Cost Rate Base (b)			\$ 3,144,898	\$ 123,421	\$ 3,268,319
17	Rate of Return on South Carolina Retail Rate Base			7.25%		7.70%

Notes: (a) From Page 3, "Total Adjustments" line.

(b) From Page 4, Line 11.

Line No.	Description	Total Company Capitalization March 31, 2010		South Carolina Retail					
		Amount (Col. 1)	Ratio (a) (Col. 2)	Per Book Embedded			Pro Forma Embedded		
				Retail Rate Base (Col. 3)	Cost/ Return % (Col. 4)	Operating Income (Col. 5)	Retail Rate Base (Col. 6)	Cost/ Return % (Col. 7)	Operating Income (Col. 8)
1	Long-Term Debt	\$ 7,155,511	46.31%	\$ 1,456,402	5.60%	\$ 81,559	\$ 1,513,559	5.60%	\$ 84,759
2	Preferred Stock	-	0.00%	-	0.00%	-	-	0.00%	-
3	Members' Equity	8,295,819	53.69%	1,688,496	8.68%	146,532	1,754,760	9.51%	166,911
4	Total	\$ 15,451,330	100.00%	\$ 3,144,898 (b)		\$ 228,091 (c)	\$ 3,268,319 (d)	(f) (e)	\$ 251,670 (e)

Notes: (a) The actual capitalization ratios at the end of period are 46.31% for long-term debt, 0.00% for preferred stock, and 53.69% for members' equity.

(b) From Page 4, Line 11, Column 2.

(c) From Page 1, Line 15, Column 2.

(d) From Page 4, Line 11, Column 4.

(e) From Page 1, Line 15, Column 4.

(f) If adjusted for weather, this rate would be 8.87%.

(g) Excludes pre-tax non-firm wholesale sales profits for the total system of approximately \$14 million for the 12 months ended 03/31/10.
A net of tax South Carolina Retail allocation of profits would amount to approximately \$2 million.

Line No.	Description	Electric Operating Revenue (Col. 1)	Fuel Used in Electric Generation (Col. 2)	Purchased Power and Net Interchange (Col. 3)	Wages Benefits Materials Etc. (Col. 4)	Depreciation and Amortization (Col. 5)	General Taxes (Col. 6)	Interest on Customer Deposits (Col. 7)	Income Taxes (Col. 8)	Amortization of ITC (Col. 9)	Net Operating Income (Col. 10)
1	To Annualize Depreciation on Year-End Plant	\$ -	\$ -	\$ -	\$ -	\$ 8,112	\$ -	\$ -	\$ (3,186)	\$ -	\$ (4,926)
2	To Annualize Wage Rate Increase	-	-	-	2,919	-	645	-	(1,400)	-	(2,164)
3	To Annualize Rate Case Increase	61,771	-	-	-	-	282	-	24,146	-	37,343
4	To Annualize Allen and Saluda Amortization	-	-	-	-	4,424	-	-	(1,737)	-	(2,687)
5	To Annualize Allen and Saluda Operating Costs	203	-	-	2,947	-	-	-	(1,077)	-	(1,666)
6	To Annualize Amortization of Rate Case Costs	-	-	-	-	8	-	-	(3)	-	(5)
7	To Annualize Amortization of GridSouth Investment	-	-	-	-	1,573	-	-	(618)	-	(955)
8	To Eliminate Incremental Voluntary Retirement and Office Consolidation Costs	-	-	-	(10,046)	-	-	-	3,945	-	6,101
9	To Eliminate Catawba Purchased Power Levelization	-	-	9,839	-	-	-	-	(3,864)	-	(5,975)
10	To Annualize Property Taxes on Year-End Plant	-	-	-	-	-	1,988	-	(781)	-	(1,207)
11	To Reflect CWIP Closings to Plant	-	-	-	-	4,481	863	-	(2,099)	-	(3,245)
12	To Adjust Income Taxes to Reflect Interest Synchronization	-	-	-	-	-	-	-	(1,155)	-	1,155
13	To Exclude Greenwood Operations	(1,274)	(1,248)	(32)	(1,322)	(639)	(222)	-	950	7	1,232
14	Total Adjustments	\$ 60,700	\$ (1,248)	\$ 9,807	\$ (5,502)	\$ 17,959	\$ 3,556	\$ -	\$ 13,121	\$ 7	\$ 23,001

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Electric Plant in Service	\$ 25,984,751		\$ 6,102,474	\$ 146,176	\$ 6,248,650
2	Less: Accumulated Depreciation and Amortization	(11,992,593)		(2,703,482)	(12,593)	(2,716,075)
3	Net Electric Plant	13,992,158		3,398,992	133,583	3,532,575
4	Add: Materials and Supplies	767,670		185,111	-	185,111
5	Working Capital Investment	1,143,037		260,826	-	260,826
6	Plant Held for Future Use	3,127	23.2521%	727	-	727
7	Less: Accumulated Deferred Taxes	(2,878,175)	28.3378%	(815,612)	-	(815,612)
8	Operating Reserves	(436,846)	24.7753%	(108,230)	-	(108,230)
9	Customer Deposits	(81,721)		(18,560)	-	(18,560)
10	Greenwood				(10,162)	(10,162)
11	Construction Work in Progress	988,455		241,644		241,644
12	Total Original Cost Rate Base	\$ 13,497,705		\$ 3,144,898	\$ 123,421	\$ 3,268,319

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Production	\$ 13,147,088		\$ 2,958,926	\$ 90,418	\$ 3,049,344
2	Transmission	2,433,194	19.5292%	475,184	12,742	487,926
3	Distribution (b)	8,463,739	25.8207%	2,185,397	36,586	2,221,983
4	General	577,153	24.1712%	139,505	6,951	146,456
5	Intangible	352,737	24.2591%	85,571	(521)	85,050
6	Subtotal	24,973,911	23.4028%	5,844,583	146,176	5,990,759
7	Nuclear Fuel	1,010,840	25.5125%	257,891		257,891
8	Total Electric Plant in Service	\$ 25,984,751 (a)		\$ 6,102,474	\$ 146,176	\$ 6,248,650

Notes: (a) Excludes asset retirement obligations, electric plant held for future use, electric plant acquisition adjustments, and other electric plant adjustments of (\$880,351) thousand.

(b) The accounting adjustment in Col. 3 represents non-growth related additions to distribution plant.

Duke Energy Carolinas, LLC
ACCUMULATED DEPRECIATION AND AMORTIZATION - ELECTRIC PLANT IN SERVICE
SC Quarterly for March 31, 2010
(Thousands of Dollars)

Page 4b

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Production	\$ 6,297,668		\$ 1,281,102	\$ 9,455	\$ 1,290,557
2	Transmission	1,121,349	19.4435%	218,029	456	218,485
3	Distribution	3,576,679		950,170	2,029	952,199
4	General	\$91,169	27.3196%	\$24,907	757	25,664
5	Intangible	260,066	24.8205%	64,550	(104)	64,446
6	Subtotal	11,346,931	22.3740%	2,538,758	12,593	2,551,351
7	Nuclear Fuel	645,662	25.5125%	164,724		164,724
8	Total Accumulated Depreciation and Amortization	\$ 11,992,593 (a)		\$ 2,703,482	\$ 12,593	\$ 2,716,075

The annual composite rates for computing depreciation (straight-line method) are shown below.

9	Steam Production Plant	3.57%
10	Nuclear Production Plant (Excl. Nuclear Decommissioning)	2.35%
11	Hydro Production Plant	3.44%
12	Combustion Turbines	3.62%
	Transmission Plant:	
13	Right-of-Way	1.16%
14	Other	2.03%
15	Distribution Plant	2.33%
16	General Plant	Various
17	Land Rights	0.81% - 1.88%
18	Intangible Plant	20.00%

Note: (a) Excludes accumulated depreciation of asset retirement obligations and accumulated depreciation of electric plant acquisition adjustments totaling \$234,254 thousand. Includes accumulated depreciation of cost of removal and asset retirement obligation regulatory liability totaling \$1,368,832 thousand.

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
		Per Books (Col. 2)		Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)	
	Fuel Stock:					
1	Coal	\$ 322,371	25.5125%	\$ 82,245	\$ -	\$ 82,245
2	Oil	30,083	25.5125%	7,675	-	7,675
3	Total Fuel Stock	352,454	25.5125%	89,920	-	89,920
4	Other Electric Materials and Supplies & Stores Clearing	415,216	22.9257%	95,191	-	95,191
5	Total Materials and Supplies	\$ 767,670		\$ 185,111	\$ -	\$ 185,111

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Twelve Months Operating and Maintenance Expenses, Exclusive of Purchased Power and Nuclear Fuel Expense	\$ 2,967,791		\$ 717,445	-	\$ 717,445
		=====		=====	=====	=====
2	1/8 of O&M Expenses on Line 1	\$ 370,974		\$ 89,681		\$ 89,681
3	Less: Average Taxes Accrued	50,164		5,137	-	5,137
4	Subtotal	421,138		94,818	-	94,818
5	Required Bank Balances	390	23.6091%	92	-	92
6	Bond Reacquisition Premiums	140,136	18.2979%	25,642	-	25,642
7	Required Pension Funding	533,293	24.2260%	129,196	-	129,196
8	Prepayments	48,080	23.0411%	11,078	-	11,078
9	Total Working Capital Investment	\$ 1,143,037		\$ 260,826	\$ -	\$ 260,826
		=====		=====	=====	=====

Duke Energy Carolinas, LLC
CONSTRUCTION WORK IN PROCESS AT MONTH END
SC Quarterly for March 31, 2010
(Thousands of Dollars)

Page 4e

Line No.	Description	Total Company Per Books (Col. 1)	Allocation Factors	South Carolina Retail		
				Per Books (Col. 2)	Accounting Adjustments (Col. 3)	As Adjusted (Col. 4)
1	Production	\$ 2,931,502	24.5246%	\$ 718,939	\$ -	\$ 718,939
2	Transmission	118,520	19.4407%	23,041	-	23,041
3	Distribution	72,568	25.8207%	18,738	-	18,738
4	General	42,445	24.1712%	10,259	-	10,259
5	Intangible	218,677	24.2591%	53,049	-	53,049
6	Total Construction Work in Progress	<u>\$ 3,383,712</u> =====		<u>\$ 824,026</u> =====	<u>\$ -</u> =====	<u>\$ 824,026</u> =====

Duke Energy Carolinas, LLC
FIXED CHARGES COVERAGE: SEC METHOD
EARNINGS PER SHARE
SC Quarterly for March 31, 2010

Line

No. Description

Twelve Months Ended 31-Mar-2010

1	SEC Fixed Charges Coverage	3.67
2	Earnings per Share	\$0.91

Line No.	Description	Total Company (a)	Wholesale Jurisdiction (b)	% of Total (c)	N.C. Retail (d)	% of Total (e)	S.C. Retail (f)	% of Total (g)
<u>Operating Revenues (\$000s)</u>								
1	Residential	\$ 2,408,346			\$ 1,859,137	77.1956%	\$ 549,209	22.8044%
2	Commercial	1,864,188			1,464,605	78.5653%	399,583	21.4347%
3	Industrial	974,487			591,242	60.6721%	383,245	39.3279%
4	Public Street & Hghwy Lighting	36,951			31,697	85.7816%	5,254	14.2184%
5	Interdepartmental	-			-	0.0000%	-	0.0000%
6	Sales for Resale:							
7	Special Contract	278,428	239,626	86.0641%	38,452	13.8104%	350	0.1255%
8	Other	4,044	4,044	100.0000%	-	0.0000%	-	0.0000%
9	Total Revenue from Sales of Electricity	\$ 5,566,444	\$ 243,671	4.3775%	\$ 3,985,132	71.5921%	\$ 1,337,641	24.0304%
<u>Kilowatthour Sales (000s)</u>								
10	Residential	28,299,337			21,566,727	76.2093%	6,732,610	23.7907%
11	Commercial	27,059,914			21,391,285	79.0516%	5,668,628	20.9484%
12	Industrial	19,394,760			11,557,734	59.5920%	7,837,027	40.4080%
13	Public Street & Hghwy Lighting	287,473			244,701	85.1212%	42,772	14.8788%
14	Interdepartmental	-			-	0.0000%	-	0.0000%
15	Sales for Resale:							
16	Special Contract	5,230,084	4,501,224	86.0641%	722,294	13.8104%	6,566	0.1255%
17	Other	85,429	85,429	100.0000%	-	0.0000%	-	0.0000%
18	Total KWH Sales	80,356,998	4,586,653	5.7078%	55,482,741	69.0453%	20,287,604	25.2468%
<u>Revenue Per KWH Sold (Cents)</u>								
19	Residential	8.51			8.62		8.16	
20	Commercial	6.89			6.85		7.05	
21	Industrial	5.02			5.12		4.89	
22	Public Street & Hghwy Lighting	12.85			12.95		12.28	
23	Interdepartmental	0.00			0.00		0.00	
24	Sales for Resale:							
25	Special Contract	5.32	5.32		5.32		5.32	
26	Other	4.73	4.73		0.00		0.00	
27	Total Revenue per KWH Sold	6.93	5.31		7.18		6.59	